

**Accounting and Fiduciary Agreement between
TFT (TF051328-MAU), represented by its Task Team Leader
(TTL), And
Lars T. Soeftestad, Consultant (the Consultant)**

Introduction

1. The target area of TFT is situated south east of Aioun El Atrouss in the province of Hodh El Gharbi in the east of the Islamic Republic of Mauritania. In order to enable efficient field and deskwork of the Consultant and other local and international consultants who may be called upon from time to time in the context of TFT, a house has been rented for the period between May 1 2004 and April 30 2005 in Aioun El Atrouss. The Consultant will use this house intermittently over this year, and also avail himself of its facilities for office work and meetings.
2. Local consultants will hail from Nouakchott ad Aioun El Atrouss, mostly. Payments need to be made twice for rent of the house, monthly for salary payments to local consultants and intermittently for specific activities. There is one bank in Aioun, which, however, does not have cash-disbursing facilities at all times.
3. It is the responsibility of the Consultant to request local services (hire consultants, enter into service agreements (such as car rentals)) as required in the cause of the execution of TFT. By consequence it is also the responsibility of the Consultant to see to it that these respective services are paid in accordance with their contractual terms.
4. In order to facilitate timely payments to those being entitled to it, and in view of the logistical and operational particularities of the case, it hereby understood and agreed as follows:
5. The Consultant will open an account in his own name in the Bank in Aioun, to be utilized for purposes of TFT – third party obligations only (the Account). (He may want to open a second account for his own purposes). The TTL will make available to the Consultant, as an advance, an amount of the equivalent of approximately Ougyia one million five hundred thousand (1,500,000UM), covering the expected obligations to local consultants and other activities for a period of four months (May 2004 through August 2004).
5. The Consultant undertakes to:
 - a) Verify each invoice he receives from a local consultant or other expenses and validate it confirming the timeliness and quality of services delivered;
 - b) pay the respective invoice;
 - c) Send the original invoice and his validation to the TTL and keep a copy for his accounting files
 - d) Consolidate the payments made, any open obligations entered into, if any, and the account monthly and forward the numbers to the TTL

6. The Consultant is responsible to:

- a) ascertain that the funds advanced into the Account are used for eligible under the TFT Grant only;
- b) properly document the flow and use of funds;
- c) reimburse to TFT all funds advance and either not utilized, spent for ineligible expenses or not properly documented.

7. Furniture and equipment in the house rented in Aioun and acquired from its' former lessee *en bloc* is made available to the Consultant for the purposes of executing activities of TFT free of charge. (The list comprising the individual items is attached). The Consultant acts as trustee for these goods, he will be keep them in good condition and preserve them as much as needed and possible under the circumstances (dust covers, aeration, maintenance etc.). The Consultant undertakes to seek a purchaser for the furniture and equipment prior to the expiration of the time period of the rent of the house, preferably in the person of the following lessee, or otherwise. The Consultant will seek the optimal overall return and will transfer the funds received, minus costs related to the sale, if any, into the account of TFT through the TTL.

8. The Consultant undertakes to either renew (provided new funding is secured), or give notice of cancellation to the owner of the house in Aioun in a timely manner. He will obtain and furnish to TFT evidence of timely cancellation notice received by the owner. His absence from Aioun at the time notice has to be given is not a fact diminishing his duties in this respect. Rent for a period of six months not required for purposes of TFT and resulting from a lapse of the date upon which notice had to be given will have to be paid by the Consultant out of his own funds. Whereas he is personally liable to all damage or destruction to the leased property, he will nevertheless, conscious of his relationship with TFT and the reputation resulting therefrom, use extra care.

9. Any obligations the Consultant has entered into in the name of and in pursuit of executing activities of TFT and not paid for in a timely manner, or any charges brought forward against him as Consultant, and not satisfied by him, resulting in duties and/or payments to be undertaken or paid by TFT, as the case may be, following due consideration of the merits and evidence produced in each case, have to be reimbursed to TFT by the Consultant.

For TFT the TTL

The Consultant

Hans Werner Wabnitz

Nouakchott, April 15, 2004

Attachment